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KAP's Interest Rate Updates For Employee Benefits as on 30th June 2026



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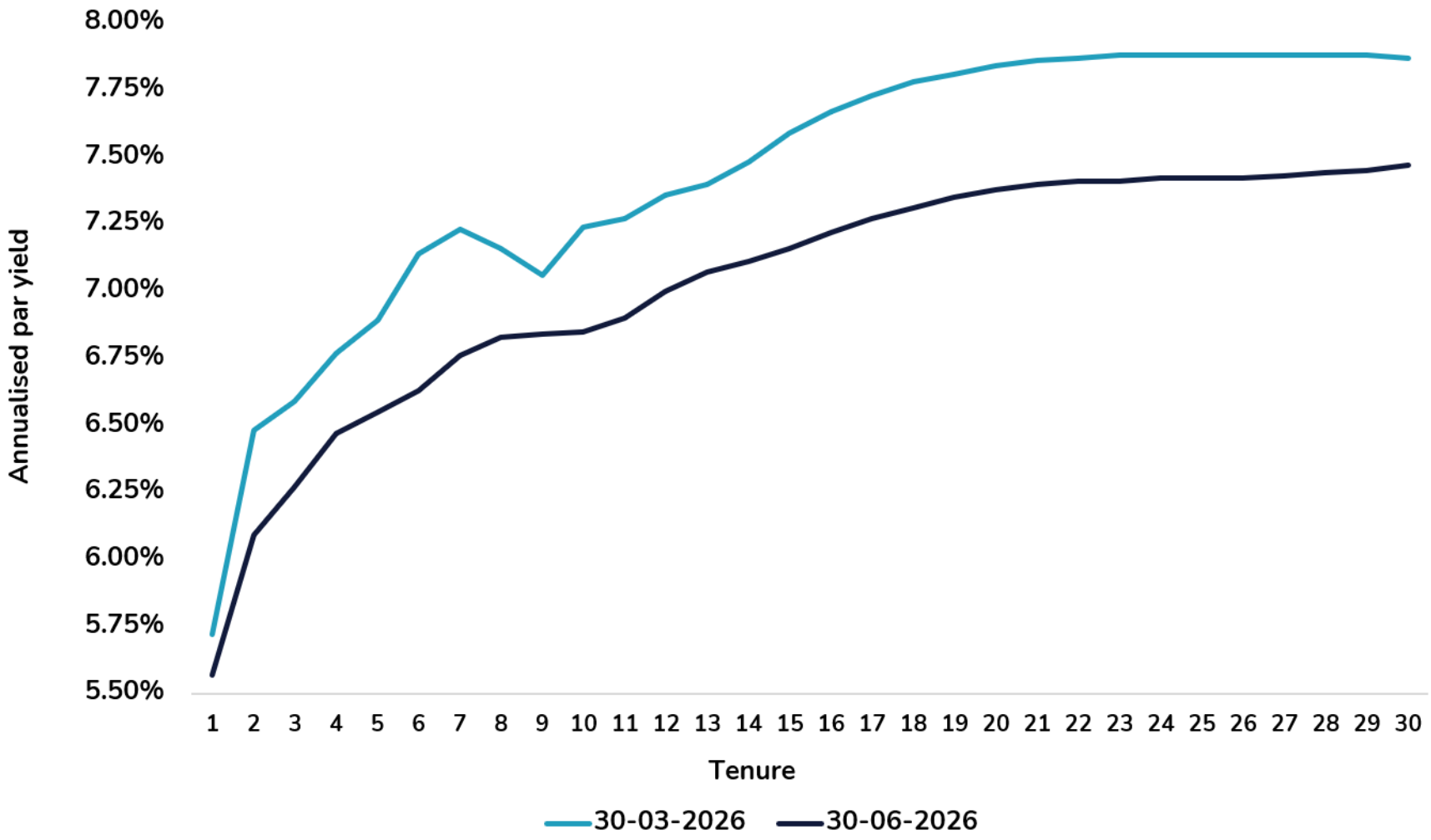
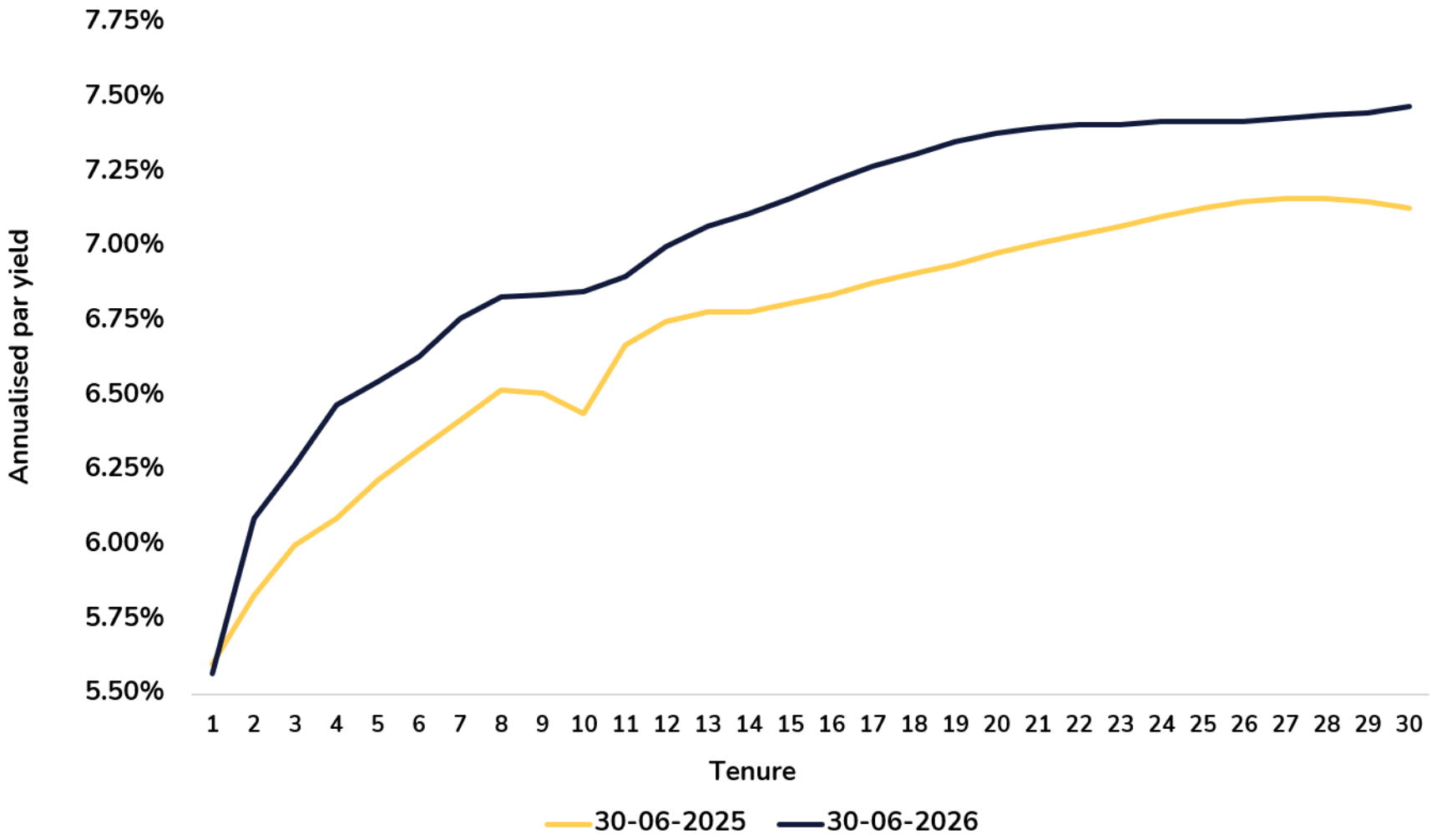
G. Sec Rates as at 30-06-2026



**The rates shall be considered as the final rates for the quarter valuations as on 30-06-2026.

Source: www.fbil.org.in

Annualised Par Yields on G. Secs



Source: www.fbil.org.in

Annualized Par Yields on G. Secs as on 30-06-2026

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Term	Annualized Yield (% p.a.)
1	5.57%
2	6.09%
3	6.27%
4	6.47%
5	6.55%
6	6.63%
7	6.76%
8	6.83%
9	6.84%
10	6.85%

Term	Annualized Yield (% p.a.)
11	6.90%
12	7.00%
13	7.07%
14	7.11%
15	7.16%
16	7.22%
17	7.27%
18	7.31%
19	7.35%
20	7.38%

Term	Annualized Yield (% p.a.)
21	7.40%
22	7.41%
23	7.41%
24	7.42%
25	7.42%
26	7.42%
27	7.43%
28	7.44%
29	7.45%
30	7.47%

Comments & Insights

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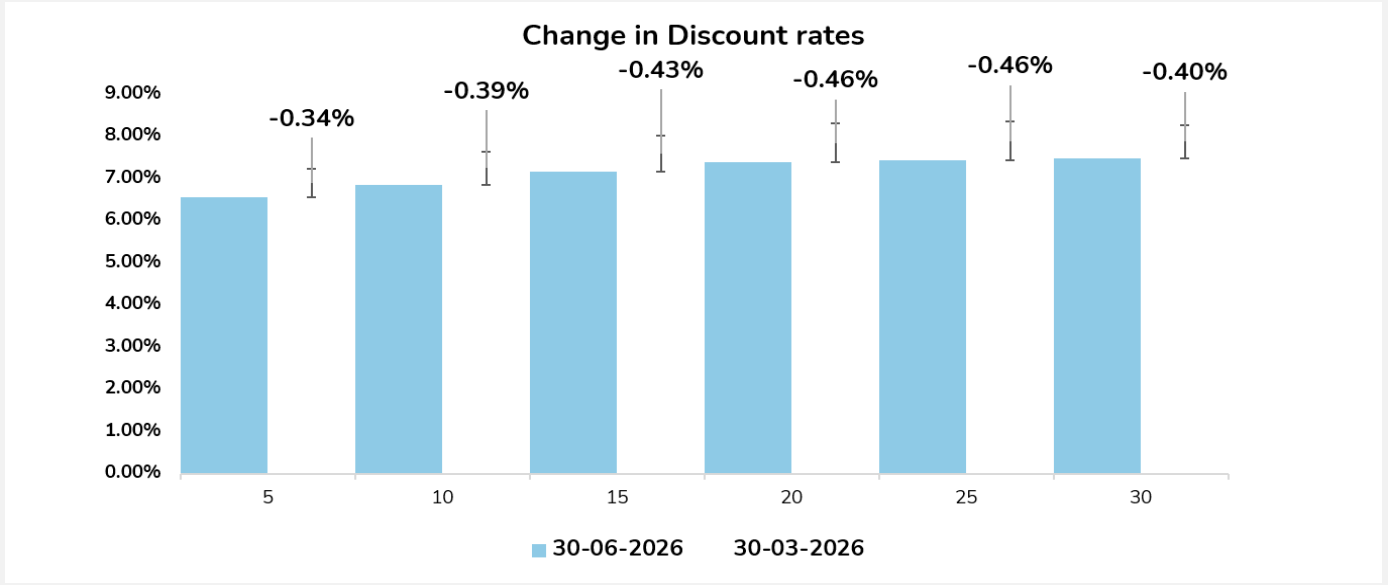
Comparison of 30-06-2026 Yield

Impact on each range as compared to 31-03-2026 rates

-51 bps to -15 bps



Impact on Obligation

A decrease in yield will lead to an increase in the present value of obligations, thereby resulting in an actuarial loss due to changes in financial assumptions, assuming all other assumptions remain unchanged

G-sec Yield ↓ → Obligation ↑ → Financial Loss

Impact on Asset

A decrease in G-sec yields leads to an increase in the fair value of plan assets when a company performs a mark-to-market (MTM) valuation. This occurs because the inverse relationship between bond yields and prices results in higher valuations for bonds held in the plan.

G-sec Yield ↓ → Bond Prices ↑ → Plan Assets (MTM) ↑

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Thank you!

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